

Retirement Benefits from State Health

January 1– December 2010

Note: Information in this Presentation applies to the 2010
Plan Year only.



Presented by State Health Benefit Plan

DCH Mission

ACCESS



Access
to affordable,
quality health
care in our
communities

RESPONSIBLE



Responsible
health planning
and use of
health care
resources

HEALTHY



Healthy
behaviors and
improved
health
outcomes

DCH Initiatives

FY 2009 and FY 2010

FY 2009

- Medicaid Transformation**
- Health Care Consumerism**
- Financial and Program Integrity**
- Health Improvement**
- Solutions for the Uninsured**
- Workforce Development**
- PeachCare for Kids™ Program**
- Stability**
- Customer Service**

FY 2010

- Medicaid Transformation**
- Health Care Consumerism**
- Financial and Program Integrity**
- Health Improvement**
- Workforce Development**
- Customer Service**
- Emergency Preparedness**

State Health Benefit Plan Overview

- When You Retire
- State Health Benefit Plan (SHBP) Options
- Changing Options
- Qualifying Events
- Surviving Spouses
- Medicare

When You Retire

- You may continue coverage at retirement if:
 - You are eligible to receive and are receiving a monthly benefit from a Georgia-sponsored retirement system; and
 - You and your dependents are enrolled at the time of your retirement
- You do not need to complete a paper form if you are covered under ERS, TRS or PSERS (others will need to complete Retiree/Surviving Spouse form)
- You will be enrolled in your current coverage unless you have Medicare and have provided SHBP with this information

NOTE: You cannot continue your health insurance if you take a lump sum distribution from a Georgia-sponsored retirement and will not receive a monthly retirement benefit

When You Retire

- Once set-up as a retiree, you have the opportunity to change options (if request is made within 31 days from date on letter)
- Must have dependents (which includes your spouse) covered at the time of retirement if you wish to have them covered
- Tier choices are Employee or Family
- Tobacco and Spousal Surcharges do not apply
- SHBP premiums and options will change when you or your covered spouse reach age 65 or become eligible for Medicare

SHBP Options for All Members

CIGNA and UnitedHealthcare (UHC) will each offer:

- Health Reimbursement Arrangement (HRA)
- High Deductible Health Plan (HDHP)
- Open Access Plans (OAP): CIGNA Open Access Plus and United Choice Plus
- Health Maintenance Organization (HMO)

SHBP Options

Retirees and/or their dependents enrolled in Medicare

Medicare Advantage with prescription drugs (MAPD)
Private Fee-for-Service Options (PFFS) for retirees and/or
their dependents age 65 or those determined to be
disabled by Social Security.

- *SHBP MAPD Standard Plan*
- *SHBP MAPD Premium Plan*

You must have a minimum of Medicare Part B to enroll in the
MA Plan, but If eligible you should also enroll in Medicare Part A

SHBP Options

Important Information for Medicare eligible retirees and/or their Medicare eligible dependents

Retirees may select from any of the Plan options. However, in order to continue to receive the state contribution toward the cost of the health insurance they must enroll in one of the Medicare Advantage with Prescription Drugs (MAPD) Private Fee-for-Service (PFFS) Options offered by CIGNA and UnitedHealthcare.

Changing Options

- Annual Retiree Option Change Period (ROCP), which is held each fall and corresponds with the annual Open Enrollment (OE) period for active members (*You can only change options during ROCP*)
- When you or an eligible dependent become eligible for Medicare (age 65 or disabled)
- If the retirement benefit does not cover the premium

Qualifying Events for Enrolled Retirees

Making changes in your health insurance

- Marriage
- Spouse loses eligibility for coverage
- Acquisition or death of a dependent
- Student returns full-time to school
- Divorce

You have 31 days before or after a qualifying event to notify SHBP

Changes without a Qualifying Event

- You may change to single coverage at any time
- You may drop SHBP at anytime (*but you will not be able to get the coverage back unless you return to work in a SHBP benefit eligible position*)
- If you and your spouse are retired, covered by SHBP and are both drawing a monthly retirement benefit from a Georgia-sponsored retirement system, you may change from family coverage to each having single coverage at any time (the request for you and your spouse must be filed at the same time)

Surviving Spouses-Continuing Coverage

If your surviving spouse or eligible child will receive an annuity:

- Apply within 31 days of retiree's death
- Current coverage can continue
- Premiums are deducted from annuity
- Surviving spouse or eligible child cannot cover new spouse

Surviving Spouses Continuing Coverage

If your surviving spouse will not receive an annuity:

- Coverage can continue if married at least 1 year
- Apply within 31 days of retiree's death
- Premium paid directly to Plan
- Coverage ends if spouse remarries

Note: if your surviving child does not receive an annuity and there is no surviving spouse-the child may continue coverage for 36 months through COBRA provisions

Retirement – Under age 65

- SHBP will remain your primary insurer until you are enrolled in Medicare
- You may want to consider a SHBP sponsored Health Reimbursement Account (HRA) or High Deductible Health Plan (HDHP) consumer driven option

SHBP Plan Option Health Reimbursement Arrangement (HRA)

- The HRA plan is a consumer driven health plan that is very similar to an OAP which provides benefits for using in or out-of-network providers
- This plan also gives members control over how their health care dollars are spent
- SHBP contributes dollars to the HRA account which provides coverage for first dollar expenses and helps to reduce deductibles and out-of-pocket expenses

SHBP Plan Option

Health Reimbursement Arrangement (HRA)

SHBP 2010 HRA Contributions:

Employee -\$500

Family-\$1500

Note: Retirees receive \$500 for single and \$1,500 for family coverage. Additional dollar credits of \$125 each (for a total of \$250) can be earned if a husband and wife each take a health assessment and receive their annual physical.

SHBP Plan Option

Health Reimbursement Arrangement (HRA)

- No primary care physician (PCP) designation or specialist referrals required although we do suggest that you designate a PCP
- 100 percent unlimited wellness benefits (eligible services based on national age and gender guidelines)
- No cost for certain asthma, diabetes and cardiac drugs for members enrolled and compliant with the disease management program

SHBP Plan Option

High Deductible Health Plan (HDHP)

- The HDHP design is very similar to that of the OAP with in and out of network benefits
- 100 percent unlimited wellness benefits (eligible services based on national age and gender guidelines)
- In return for low premiums you must satisfy a higher deductible
- You may be eligible to enroll in a Health Savings Account (HSA)

Who is Primary at Age 65?

- Upon retirement and age 65 – Medicare becomes primary
- If you work past age 65 - SHBP is primary for you (and your spouse if covered by Medicare, if applicable) when you are actively employed
 - Purchasing Parts B and D may not be cost effective until you retire (Coverage under the HDHP is not considered creditable. Delaying Medicare enrollment may result in a late enrollment penalty)

Retirement and Medicare

- Medicare is offered to retirees at age 65 or individuals who are disabled under Social Security. The three parts of Medicare are:
 - Part A – usually free, provides coverage for hospitalization
 - Part B – provides coverage for provider services; is means based and the rate will be \$110.50 for most retirees, but may be higher for those with higher incomes
 - Part D approx \$30, provides coverage for prescription drugs

Retirement and Medicare

- Enrollment in Medicare Part A is automatic
- It is important that you enroll for Medicare Part B when you first become eligible as a retiree. Medicare Part B can be purchased even if you have not worked enough quarters to qualify

Note: You and/or your spouse can purchase Medicare Part B if you are a U.S. Citizen, reside in the U.S., age 65 or older (or a legal non-citizen, age 65 or older, who resides and has lived in the U.S. for at least 5 years)

SHBP Policy for Retirees with Medicare because of Age or Disability

- All Medicare eligible retirees and their Medicare eligible spouse and/or children will need to enroll in one of the SHBP MAPD PFFS Plans offered by CIGNA and UnitedHealthcare in order to continue to receive the state contribution to the cost of their health insurance. We will refer to these as the MA Plans
- Medicare eligible retirees may elect another SHBP option but will not receive the state contribution toward the cost of the premiums

Medicare Advantage Plan Design and Benefits

- These plans provide **all the benefits** found with Original Medicare – Parts A and B – plus so much more
- Includes prescription Part D coverage; therefore you should **not** enroll in a separate Part D plan
- Does not require contracting with a provider network
- Does not require patients to gain authorization or referrals (except for certain prescriptions)
- Requires the provider to be “Deemed” (accept the insurer’s terms and conditions and Medicare payment rates with no balance billing) in order for the expenses to be covered

Medicare Advantage Plan Design and Benefits

- Both SHBP MA Options are plans that provide comprehensive and cost effective benefits
- Custom plans designed by SHBP
- Approved by the Centers for Medicare & Medicaid Services (CMS)
- Designed to have lower monthly premiums and lower out-of-pocket expenses
- Designed to provide protection against the high medical costs that come with an unexpected illness or injury

Medicare Advantage Plan Design and Benefits

- Primary care physician co-pay; \$20 Standard and \$10 Premium
- Specialist visit co-pay; \$25 Standard and \$20 Premium
- Inpatient Hospital; \$190 co-pay per day (1-4) Standard (\$0 beginning with day 5) and \$100 co-pay per day (1-3) for Premium (\$0 beginning with day 4)

Medicare Advantage Plan Design and Pharmacy Benefits

	Standard	Premium
Tier 1	\$10 retail; \$20 mail order- 90 day supply	\$10 retail; \$20 mail order-90 supply
Tier 2	\$25 retail; \$50 mail order- 90 day supply	25% up to \$25; mail order not to exceed \$50
Tiers 3 and 4	\$50 retail; \$100 mail order-90 day supply	25% up to \$50; mail order not to exceed \$100
	No “doughnut hole” gap	No “doughnut hole” gap

I or some of my dependents are not eligible to participate in a Medicare Advantage Option

- Non-Medicare eligible person(s) may collectively select one non MA option offered by SHBP
- Dependents with Medicare will be in the MA plan

IMPORTANT INFORMATION

about your SHBP Medicare Advantage Options

- The health care vendor for a family contract will be the vendor the retiree selects
- The retiree will also determine whether the MA Plan is Standard or Premium for eligible members
- It is important to remember, once you enroll in one of the SHBP MA Plans, you will receive a cancellation from your Part D Plan. Do not enroll in another Medicare Part D or MA Plan
- Doing so will cause you to lose your SHBP coverage

If You Need Information or Have Questions

If you have questions about eligibility,
you may contact us at:

- 404-656-6322
- 800-610-1863

Notify SHBP if your address changes. The information must be in writing and include the member's Social Security number. The retirement system does not notify us if your address changes. Request should be mailed to:

SHBP
P.O. Box 1990
Atlanta, GA 30301-1990

If You Need Information or Have Questions

For questions about a specific plan, you may reach each vendor at:

CIGNA Healthcare www.CIGNA.com/shbp

800-633-8519

Medicare Access Plus Rx: 800-942-6724

UnitedHealthcare www.myuhc.com

HRA: 800-396-6515

OAP, HMO, HDHP: 877-246-4189

Medicare Direct: 877-755-5343

Information Available on the SHBP Web site

www.dch.georgia.gov/shbp

- Health Plan Decision Guides
- SHBP Forms, Pharmacy Information
- Rates
- The latest SHBP News
- Health and Wellness Information
- Summary Plan Descriptions

Never Forget!

*Coverage must be continuous
from active into retirement!!!*

You cannot re-enroll!

